

PATENT

Attorney Docket No.: AME-08122

ASSIGNMENT

WHEREAS, WE, Jeffry D. Watkins, William D. Huse, Alain P. Vasserot, David Marquis, and Eric Smith, hereinafter referred to as "ASSIGNOR," have invented certain new and useful improvements as described and set forth in the below-identified application for United States Letters Patent:

Title of Invention: Methods of Optimizing Antibody Variable Region Binding Affinity
 Filing Date: 10/30/03 Serial No.: 10/697,399

WHEREAS, Applied Molecular Evolution, a California corporation, 3520 Dunhill Street, San Diego, California 92121, hereinafter referred to as "ASSIGNEE," is desirous of acquiring the entire right, title and interest in said invention and application and in any Letters Patent which may be granted on the same;

NOW THEREFORE, TO ALL WHOM IT MAY CONCERN: Be it known that, for and in consideration of the sum of One Dollar (\$1.00) lawful money paid to ASSIGNOR by ASSIGNEE and other good and valuable consideration, receipt of which is hereby acknowledged, ASSIGNOR has sold, assigned and transferred, and by these presents does sell, assign and transfer unto said ASSIGNEE, and ASSIGNEE's successors and assigns, all right, title and interest in and to said invention, said application for United States Letters Patent, and any Letters Patent which may hereafter be granted on the same in the United States and all countries throughout the world, including any divisions, renewals, continuations in whole or in part, substitutions, conversions, reissues, prolongations or extensions thereof, said interest to be held and enjoyed by said ASSIGNEE as fully and exclusively as it would have been held and enjoyed by said ASSIGNOR had this assignment and transfer not been made, to the full end and term of any Letters Patent.

ASSIGNOR further agrees that ASSIGNOR will, without charge to said ASSIGNEE, but at ASSIGNEE's expense, cooperate with ASSIGNEE in the prosecution of said application and/or applications; execute, verify, acknowledge, and deliver all such further papers, including applications for Letters Patent and for the reissue thereof, and instruments of assignment and transfer thereof; and perform such other acts as ASSIGNEE lawfully may request, to obtain or maintain Letters Patent for said invention and improvement in any and all countries, and to vest title thereto in said ASSIGNEE, or ASSIGNEE's successors and assigns.

IN TESTIMONY WHEREOF, ASSIGNOR has hereunto signed ASSIGNOR's names to this Assignment on the date indicated below.

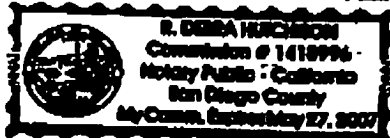
Jeffry D. Watkins _____ Date
Alain P. Vasserot _____ 03/02/2004 Date
Eric Smith _____ 3/2/04 Date

William D. Huse _____ Date
David Marquis _____ 3-2-04 Date

STATE OF California)
 COUNTY OF San Diego) ss.

On this 2 day of March, in the year of 2004, before me, the undersigned notary public, personally appeared the above-named ASSIGNOR, known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the same.

SEAL



R. Debra Huchison _____
 NOTARY PUBLIC

**Delegation of Authority Concerning
Certain Patent Matters**

On behalf of Applied Molecular Evolution (AME), INC., a Delaware corporation with a principal place of business at 3520 Dunhill Street, San Diego, California 92121, a wholly-owned subsidiary of Eli Lilly and Company, an Indiana corporation with a principal place of business at Lilly Corporate Center, Indianapolis Indiana 46285, I delegate to Douglas K. Norman, General Patent Counsel of Eli Lilly and Company:

Authority to approve and execute for and on behalf of AME, documents in connection with patent matters relating to:

- (i) the institution, prosecution, and completion of proceedings directed towards the issuance of patents;
- (ii) the amendment, restriction, renewal, reissue, revival, maintenance, restoration, cancellation, extension, and abandonment of patents and of applications for patents;
- (iii) the institution, prosecution, and termination of proceedings of interference, opposition, revocation, and nullification, including the filing of preliminary statements, concessions of priority, disclaimers, abandonments of the contents, and abandonments of the invention;
- (iv) the settlement of patent proceedings of interference, opposition, revocation, and nullification, subject to prior approval by the Senior Vice President and General Counsel of Eli Lilly and Company;
- (v) the filing of statutory disclaimers;
- (vi) the institution, prosecution, and termination of appellate proceedings; and
- (vii) the granting and the revocation of powers of attorney in connection with any of the foregoing.

Dated: 7-22-04



Thomas F. Bumol
Chairman of the Board of AME

**Delegation of Authority Concerning
Certain Patent Matters**

Pursuant to the authority granted to me by Thomas F. Bumol, Chairman of the Board of Applied Molecular Evolution (AME), INC., a wholly owned subsidiary of Eli Lilly and Company, in a document dated July 22, 2004, (a copy which is attached as Appendix A), I delegate to each of the following persons:

Arvie J. Anderson	45,263	Paul J. Koivunieni	31,533
Lynn D. Apelgren	45,341	Thomas LaGrandeur	51,026
Robert A. Armitage	27,417	Robert E. Lee	27,919
Brian P. Barrett	39,597	James P. Leeds	35,241
Michael T. Bates	34,121	Nelsen L. Lentz	38,537
Gary M. Birch	48,881	Elizabeth A. McGraw	44,646
William R. Boudreaux	35,796	Douglas K. Norman	33,267
Steven P. Caltrider	36,467	Arleen Palmberg	40,422
Paul R. Cantrell	36,470	Thomas G. Plant	35,784
John A. Cleveland, Jr.	50,697	Edward J. Prein	37,212
Charles E. Cohen	34,565	Grant E. Reed	41,264
Donald L. Corneglio	30,741	James J. Sales	33,773
Gregory A. Cox	47,504	Michael J. Sayles	32,295
Paula K. Davis	47,517	David M. Stemerick	40,187
John C. Demeter	30,167	Mark J. Stewart	43,936
Manisha A. Desai	43,585	Robert D. Titus	40,206
Paul J. Gaylo	36,808	R. Craig Tucker	45,165
Caren D. Geppert	54,117	Tina M. Tucker	47,145
Francis O. Ginah	44,712	MaCharri Vorndran-Jones	36,711
Amy E. Hamilton	33,894	Gilbert T. Voy	43,972
Danica Hostettler	51,820	Thomas D. Webster	39,872
Thomas E. Jackson	33,064	Lawrence T. Welch	29,487
Soonhee Jang	44,802	Alexander Wilson	45,782
Gerald P. Keleher	43,707	Mark A. Winter	53,782
James J. Kelley	41,888	Mary Ann Wiskerchen	45,511
		Dan L. Wood	48,613

all of whom are registered to practice before the United States Patent and Trademark Office and are employees of Eli Lilly and Company, the authority to approve and execute for and on behalf of AME, documents in connection with patent matters relating to:

- (i) the institution, prosecution, and completion of proceedings directed towards the issuance of patents;
- (ii) the amendment, restriction, renewal, reissue, revival, maintenance, restoration, cancellation, extension, and abandonment of patents and of applications for patents;
- (iii) the institution, prosecution, and termination of proceedings of interference, opposition, revocation, and

nullification, including the filing of preliminary statements, concessions of priority, disclaimers, abandonments of contests, and abandonments of the invention;

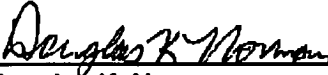
(iv) the settlement of patent proceedings of interference, opposition, revocation, and nullification, subject to prior approval by the Senior Vice President and General Counsel of the Company;

(v) the filing of statutory disclaimers;

(vi) the institution, prosecution, and termination of appellate proceedings; and

(vii) the granting and the revocation of powers of attorney in connection with any of the foregoing, except there shall be no authority to revoke any power of attorney held by the Vice President and General Patent Counsel, Lilly Research Laboratories (a division of Eli Lilly and Company).

Dated: 12 August 2004



Douglas K. Norman
Deputy General Counsel
and General Patent Counsel